

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

ASX release

22 June 2012

AGL successfully completes Retail Entitlement Offer

AGL Energy Limited (**AGL**) today announced the successful completion of the retail component of its fully underwritten 1 for 6 pro rata accelerated renounceable entitlement offer.

On Thursday, 24 May 2012, AGL announced a renounceable entitlement offer of new AGL shares (**New Shares**) at an offer price of \$11.60 per New Share to raise approximately \$900 million (**Entitlement Offer**) to fund the acquisition of the 67.5% of GEAC not currently owned by AGL, to allow partial repayment of existing GEAC bank loans and for general corporate purposes including renewable energy generation.

The institutional component of the Entitlement Offer was successfully completed on Tuesday, 29 May 2012, raising gross proceeds of approximately \$361 million.

The retail component of the Entitlement Offer (**Retail Entitlement Offer**) closed on Tuesday, 19 June 2012.

Summary of Retail Entitlement Offer

The Retail Entitlement Offer attracted strong support with:

- \$404 million received from more than 60,000 applications; and
- 75% of available New Shares taken up.

AGL Managing Director and CEO, Mr Fraser said, "We are delighted with the strong support shown by our retail shareholders.

"The high take-up of 75% demonstrates strong support for the acquisition of the Loy Yang A power station and adjacent coal mine," Mr Fraser said.

Approximately 11.9 million entitlements will be offered under the retail shortfall bookbuild which will be undertaken after market close today, Friday, 22 June 2012.

The settlement date for the Retail Entitlement Offer and the retail shortfall bookbuild is Thursday, 28 June 2012. The New Shares are expected to be issued on Friday, 29 June 2012 and commence trading on ASX on Monday, 2 July 2012.

Shareholder Enquiries

Shareholders who have questions relating to the Entitlement Offer should call the AGL Offer Information line on 1800 824 513 (within Australia) or +61 2 8280 7115 (outside Australia) from 8.30am to 5.30pm (Sydney time) Monday to Friday or go to our website www.agl.com.au.





For further information please contact:

Investors

John Hobson, Head of Capital Markets

Direct: + 61 2 9921 2789

Mobile: + 61 (0) 488 002 460

e-mail: john.hobson@agl.com.au

Media

Karen Winsbury, Head of Corporate Communications (Acting)

Direct: + 61 3 8633 6388

Mobile: + 61 (0) 408 465 479

e-mail: kwinsbury@agl.com.au

Important Information

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933 (the "Securities Act") or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements and the New Shares may not be offered or sold in the United States, unless they have been registered under the Securities Act, or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws.

Neither this announcement nor any other documents relating to the offer of Entitlements or New Shares may be sent or distributed to persons in the United States.

About AGL

AGL is one of Australia's leading integrated renewable energy companies and is taking action toward creating a sustainable energy future for our investors, communities and customers. Drawing on 175 years of experience, AGL operates retail and merchant energy businesses, power generation assets and an upstream gas portfolio. AGL has one of Australia's largest retail energy and dual fuel customer bases. AGL has a diverse power generation portfolio including base, peaking and intermediate generation plants, spread across traditional thermal generation as well as renewable sources including hydro, wind, landfill gas and biomass. AGL is Australia's largest private owner and operator of renewable energy assets and is looking to further expand this position by exploring a suite of low emission and renewable energy generation development opportunities.